



Mary Taylor, CPA
Auditor of State

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

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Mary Taylor, CPA Auditor of State

Williamsburg Township
Clermont County
4025 Alexander Lane
Batavia, Ohio 45103

To the Board of Trustees:

As you are aware, the Auditor of State's Office (AOS) must modify the *Independent Accountants' Report* we provide on your financial statements due to an interpretation from the American Institute of Certified Public Accountants (AICPA). While AOS does not legally require your government to prepare financial statements pursuant to Generally Accepted Accounting Principles (GAAP), the AICPA interpretation requires auditors to formally acknowledge that you did not prepare your financial statements in accordance with GAAP. Our Report includes an adverse opinion relating to GAAP presentation and measurement requirements, but does not imply the amounts the statements present are misstated under the non-GAAP basis you follow. The AOS report also includes an opinion on the financial statements you prepared using the cash basis and financial statement format the AOS permits.

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Mary Taylor, CPA
Auditor of State

April 22, 2010

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT

Williamsburg Township
Clermont County
4025 Alexander Lane
Batavia, Ohio 45103

To the Board of Trustees:

We have audited the accompanying financial statements of Williamsburg Township, Clermont County, Ohio (the Township), as of and for the years ended December 31, 2009 and 2008. These financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. The Township processes its financial transactions with the Auditor of State's Uniform Accounting Network (UAN). *Government Auditing Standards* considers this service to impair the independence of the Auditor of State to audit the Township because the Auditor of State designed, developed, implemented, and as requested, operates UAN. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We believe our audit provides a reasonable basis for our opinion.

As described more fully in Note 1, the Township has prepared these financial statements using accounting practices the Auditor of State prescribes or permits. These practices differ from accounting principles generally accepted in the United States of America (GAAP). Although we cannot reasonably determine the effects on the financial statements of the variances between these regulatory accounting practices and GAAP, we presume they are material.

Instead of the combined funds the accompanying financial statements present, GAAP require presenting entity wide statements and also presenting the Township's larger (i.e. major) funds separately. While the Township does not follow GAAP, generally accepted auditing standards requires us to include the following paragraph if the statements do not substantially conform to GAAP presentation requirements. The Auditor of State permits, but does not require townships to reformat their statements. The Township has elected not to follow GAAP statement formatting requirements. The following paragraph does not imply the amounts reported are materially misstated under the accounting basis the Auditor of State permits. Our opinion on the fair presentation of the amounts reported pursuant to its non-GAAP basis is in the second following paragraph.

In our opinion, because of the effects of the matter discussed in the preceding two paragraphs, the financial statements referred to above for the years ended December 31, 2009 and 2008 do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2009 and 2008, or its changes in financial position for the years then ended.

Also, in our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of Williamsburg Township, Clermont County, as of December 31, 2009 and 2008, and its combined cash receipts and disbursements for the years then ended on the accounting basis Note 1 describes.

The Township has not presented Management's Discussion and Analysis, which accounting principles generally accepted in the United States of America has determined is necessary to supplement, although not required to be part of, the financial statements.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 22, 2010, on our consideration of the Township's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance, and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

Mary Taylor, CPA
Auditor of State

April 22, 2010

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Permanent</u>	
Cash Receipts:					
Property and Other Local Taxes	\$109,270	\$467,694	\$45,553	\$0	\$622,517
Charges for Services		170,041			170,041
Licenses, Permits, and Fees	683	29,832			30,515
Intergovernmental	145,452	216,661			362,113
Earnings on Investments	1,299	306		129	1,734
Miscellaneous	9,303	45,277			54,580
Total Cash Receipts	<u>266,007</u>	<u>929,811</u>	<u>45,553</u>	<u>129</u>	<u>1,241,500</u>
Cash Disbursements:					
Current:					
General Government	230,492	4,734			235,226
Public Safety		686,201			686,201
Public Works		209,960			209,960
Health		32,681			32,681
Debt Service:					
Redemption of Principal		0	34,646		34,646
Interest and Other Fiscal Charges			13,275		13,275
Total Cash Disbursements	<u>230,492</u>	<u>933,576</u>	<u>47,921</u>	<u>0</u>	<u>1,211,989</u>
Total Receipts Over/(Under) Disbursements	<u>35,515</u>	<u>(3,765)</u>	<u>(2,368)</u>	<u>129</u>	<u>29,511</u>
Other Financing Receipts / (Disbursements):					
Sale of Bonds		126,831			126,831
Transfers-In			3,000		3,000
Transfers-Out		(3,000)			(3,000)
Total Other Financing Receipts / (Disbursements)	<u>0</u>	<u>123,831</u>	<u>3,000</u>	<u>0</u>	<u>126,831</u>
Excess of Cash Receipts and Other Financing Receipts Over / (Under) Cash Disbursements and Other Financing Disbursements	<u>35,515</u>	<u>120,066</u>	<u>632</u>	<u>129</u>	<u>156,342</u>
Fund Cash Balances, January 1	<u>135,583</u>	<u>949,602</u>	<u>143</u>	<u>9,401</u>	<u>1,094,729</u>
Fund Cash Balances, December 31	<u>\$171,098</u>	<u>\$1,069,668</u>	<u>\$775</u>	<u>\$9,530</u>	<u>\$1,251,071</u>

The notes to the financial statements are an integral part of this statement.

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND CASH BALANCES
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>Governmental Fund Types</u>				Totals (Memorandum Only)
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Permanent</u>	
Cash Receipts:					
Property and Other Local Taxes	\$104,214	\$446,228	\$66,794	\$0	\$617,236
Charges for Services		132,816			132,816
Licenses, Permits, and Fees	992	26,499			27,491
Intergovernmental	140,584	215,248			355,832
Earnings on Investments	19,602	4,180		304	24,086
Miscellaneous	8,362	34,097			42,459
Total Cash Receipts	<u>273,754</u>	<u>859,068</u>	<u>66,794</u>	<u>304</u>	<u>1,199,920</u>
Cash Disbursements:					
Current:					
General Government	287,497	3,656			291,153
Public Safety		567,795			567,795
Public Works		215,157			215,157
Health		50,026			50,026
Debt Service:					
Redemption of Principal			54,314		54,314
Interest and Other Fiscal Charges			12,489		12,489
Total Cash Disbursements	<u>287,497</u>	<u>836,634</u>	<u>66,803</u>	<u>0</u>	<u>1,190,934</u>
Total Receipts Over/(Under) Disbursements	<u>(13,743)</u>	<u>22,434</u>	<u>(9)</u>	<u>304</u>	<u>8,986</u>
Fund Cash Balances, January 1	<u>149,326</u>	<u>927,168</u>	<u>152</u>	<u>9,097</u>	<u>1,085,743</u>
Fund Cash Balances, December 31	<u><u>\$135,583</u></u>	<u><u>\$949,602</u></u>	<u><u>\$143</u></u>	<u><u>\$9,401</u></u>	<u><u>\$1,094,729</u></u>

The notes to the financial statements are an integral part of this statement.

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008**

1. Summary of Significant Accounting Policies

A. Description of the Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Williamsburg Township, Clermont County, Ohio (the Township), as a body corporate and politic. A publicly-elected three-member Board of Trustees directs the Township. The Township provides road and bridge maintenance, cemetery maintenance, fire protection and emergency medical services. The Township contracts with the Clermont County Sheriff's Office to provide police protection services.

The Township participates in Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. Note 7 to the financial statements provides additional information for these entity.

The Township's management believes these financial statements present all activities for which the Township is financially accountable.

B. Accounting Basis

These financial statements follow the accounting basis the Auditor of State prescribes or permits. This basis is similar to the cash receipts and disbursements accounting basis. The Township recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the Auditor of State prescribes or permits.

C. Deposits and Investments

The Township's accounting basis includes investments as assets. This basis does not record disbursements for investment purchases or receipts for investment sales. This basis records gains or losses at the time of sale as receipts or disbursements, respectively.

The Township values certificates of deposit at cost.

D. Fund Accounting

The Township uses fund accounting to segregate cash and investments that are restricted as to use. The Township classifies its funds into the following types:

1. General Fund

The General Fund reports all financial resources except those required to be accounted for in another fund.

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

2. Special Revenue Funds

These funds account for proceeds from specific sources (other than from private-purpose trusts or for capital projects) that are restricted to expenditure for specific purposes. The Township had the following significant Special Revenue Funds:

Emergency Medical Services Fund - This fund receives property tax money for ambulance runs to provide emergency medical services to residents inside the Township and charges to provide emergency medical services to Jackson Township, Clermont County.

Fire District Fund - This fund receives property tax money to provide fire protection to residents inside the Township and charges to provide fire protection to Sterling Township, Brown County.

3. Debt Service Funds

These funds account for resources the Township accumulates to pay bond and note debt. The Township had the following significant Debt Service Funds:

General Obligation Retirement Fund - This fund receives property tax money to pay the general obligation debt of the township.

4. Permanent Funds

These funds account for assets held under a trust agreement that are legally restricted to the extent that only earnings, not principal, are available to support the Township's programs.

E. Budgetary Process

The Ohio Revised Code requires that each fund (except certain agency funds) be budgeted annually.

1. Appropriations

Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function or object level of control, and appropriations may not exceed estimated resources. The Board of Trustees must annually approve appropriation measures and subsequent amendments. The County Budget Commission must also approve the annual appropriation measure. Unencumbered appropriations lapse at year end.

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

1. Summary of Significant Accounting Policies (Continued)

2. Estimated Resources

Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must also approve estimated resources.

3. Encumbrances

The Ohio Revised Code requires the Township to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2009 and 2008 budgetary activity appears in Note 3.

F. Property, Plant, and Equipment

The Township records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

G. Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

2. Equity in Pooled Deposits and Investments

The Township maintains a cash and investments pool all funds use. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of deposits and investments at December 31 was as follows:

	2009	2008
Demand deposits	\$1,126,259	\$970,259
Certificates of deposit	9,529	9,400
Savings Accounts	115,283	115,070
Total deposits	<u>\$1,251,071</u>	<u>\$1,094,729</u>

Deposits: Deposits are insured by the Federal Depository Insurance Corporation; or collateralized by the financial institution's public entity deposit pool.

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

3. Budgetary Activity

Budgetary activity for the years ending December 31, 2009 follows:

2009 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$262,000	\$266,007	\$4,007
Special Revenue	1,044,500	1,056,642	12,142
Debt Service	48,553	48,553	0
Total	\$1,355,053	\$1,371,202	\$16,149

2009 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$311,500	\$230,492	\$81,008
Special Revenue	1,784,300	936,576	847,724
Debt Service	48,600	47,921	679
Capital Projects	9,575	0	9,575
Total	\$2,153,975	\$1,214,989	\$938,986

2008 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$194,600	\$273,754	\$79,154
Special Revenue	771,100	859,068	87,968
Debt Service	66,794	66,794	0
Capital Projects	335	304	(31)
Total	\$1,032,829	\$1,199,920	\$167,091

2008 Budgeted vs. Actual Budgetary Basis Expenditures			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$346,236	\$287,497	\$58,739
Special Revenue	1,701,206	836,634	864,572
Debt Service	66,940	66,803	137
Capital Projects	9,350	0	9,350
Total	\$2,123,732	\$1,190,934	\$932,798

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

4. Property Tax

Real property taxes become a lien on January 1 preceding the October 1 date for which the Trustees adopted tax rates. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. The financial statements include homestead and rollback amounts the State pays as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to pay semiannually, the first half is due December 31. The second half payment is due the following June 20.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

5. Debt

Debt outstanding at December 31, 2009 was as follows:

	Principal	Interest Rate
Fire Truck Lease-Purchase 2006	\$184,949	5%
Ambulance General Obligation Bonds	126,831	4.38%
Total	\$311,780	

The Township entered into a lease-purchase agreement for the purchase of a Fire Truck on May 22, 2006. The rental payments will be made over a ten year period and end on April 15, 2016

The Township issued \$126,831 in Township Fire Department Equipment Bonds dated June 24, 2009, to finance the purchase of a new life squad. The bond will be paid over five years and mature June 24, 2014. These are general obligations of the Township.

Amortization of the above debt, including interest, is scheduled as follows:

	Fire Truck Lease- Purchase	Ambulance General Obligation Bonds
Year ending December 31:		
2010	\$31,951	\$30,428
2011	31,951	29,303
2012	31,951	28,187
2013	31,951	27,052
2014	31,951	25,927
2015-2019	63,902	
Total	\$223,657	\$140,897

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

6. Retirement Systems

The Township's certified Fire Fighters and full-time Police Officers belong to the Police and Fire Pension Fund (OP&F). Other employees belong to the Ohio Public Employees Retirement System (OPERS). OP&F and OPERS are cost-sharing, multiple-employer plans. The Ohio Revised Code prescribes these plans' benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. For 2009 and 2008, OP&F participants contributed 10% of their wages. For 2009 and 2008, the Township contributed to OP&F an amount equal to 24% of full-time fire fighters' wages. For 2009 and 2008, OPERS members contributed 10% and 10%, respectively, of their gross salaries and the Township contributed an amount equaling 14% and 14%, respectively, of participants' gross salaries. The Township has paid all contributions required through December 31, 2009.

7. Risk Management

The Township is exposed to various risks of property and casualty losses, and injuries to employees.

The Township insures against injuries to employees through the Ohio Bureau of Worker's Compensation.

The Township belongs to the Ohio Township Association Risk Management Authority (OTARMA), a risk-sharing pool available to Ohio townships. OTARMA provides property and casualty coverage for its members. American Risk Pooling Consultants, Inc. (ARPCO), a division of York Insurance Services Group, Inc. (York), functions as the administrator of OTARMA and provides underwriting, claims, loss control, risk management, and reinsurance services for OTARMA. OTARMA is a member of the American Public Entity Excess Pool (APEEP), which is also administered by ARPCO. Member governments pay annual contributions to fund OTARMA. OTARMA pays judgments, settlements and other expenses resulting from covered claims that exceed the members' deductibles.

Casualty and Property Coverage

APEEP provides OTARMA with an excess risk-sharing program. Under this arrangement, OTARMA retains insured risks up to an amount specified in the contracts. At December 31, 2008, OTARMA retained \$350,000 for casualty claims and \$100,000 for property claims.

The aforementioned casualty and property reinsurance agreement does not discharge OTARMA's primary liability for claims payments on covered losses. Claims exceeding coverage limits are the obligation of the respective government.

Property and casualty settlements did not exceed insurance coverage for the past three fiscal years.

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2009 AND 2008
(Continued)**

7. Risk Management (Continued)

Financial Position

OTARMA's financial statements (audited by other accountants) conform with generally accepted accounting principles, and reported the following assets, liabilities and retained earnings at December 31, 2008 and 2007 (the latest information available).

	<u>2008</u>	<u>2007</u>
Assets	\$40,737,740	\$43,210,703
Liabilities	<u>(12,981,818)</u>	<u>(13,357,837)</u>
Net Assets	<u>\$27,755,922</u>	<u>\$29,852,866</u>

At December 31, 2008 and 2007, respectively, liabilities above include approximately \$12.1 and \$12.5 million of estimated incurred claims payable. The assets and retained earnings above also include approximately \$10.9 and \$11.6 million of unpaid claims to be billed to approximately 950 member governments in the future, as of December 31, 2008 and 2007, respectively. These amounts will be included in future contributions from members when the related claims are due for payment. The Township's share of these unpaid claims collectible in future years is approximately \$17,325. This payable includes the subsequent year's contribution due if the Township terminates participation, as described in the last paragraph.

Based on discussions with OTARMA, the expected rates OTARMA charges to compute member contributions, which are used to pay claims as they become due, are not expected to change significantly from those used to determine the historical contributions detailed below. By contract, the annual liability of each member is limited to the amount of financial contributions required to be made to OTARMA for each year of membership.

<u>Contributions to OTARMA</u>	
2007	\$16,579
2008	\$17,017
2009	\$20,146

After completing one year of membership, members may withdraw on each anniversary of the date they joined OTARMA provided they provide written notice to OTARMA 60 days in advance of the anniversary date. Upon withdrawal, members are eligible for a full or partial refund of their capital contributions, minus the subsequent year's budgetary contribution. Withdrawing members have no other future obligation to the pool. Also upon withdrawal, payments for all casualty claims and claim expenses become the sole responsibility of the withdrawing member, regardless of whether a claim occurred or was reported prior to the withdrawal.

8. Noncompliance Note

The Township had numerous posting errors.

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Mary Taylor, CPA

Auditor of State

INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS ¹

Williamsburg Township
Clermont County
4025 Alexander Lane
Batavia, Ohio 45103

To the Township Board of Trustees:

We have audited the financial statements of Williamsburg Township, Clermont County, Ohio (the Township), as of and for the year ended December 31, 2009 and 2008, and have issued our report thereon dated April 22, 2010 wherein we noted the Township prepared its financial statements using accounting practices the Auditor of State prescribes or permits rather than accounting principles generally accepted in the United States of America. We also noted the Township uses the Auditor of State's Uniform Accounting Network (UAN) to process its financial transactions. *Government Auditing Standards* considers this service to impair the Auditor of State's independence to audit the Township. However, *Government Auditing Standards* permits the Auditor of State to audit and opine on this entity, because Ohio Revised Code § 117.101 requires the Auditor of State to provide UAN services, and Ohio Revised Code §§ 117.11(B) and 115.56 mandate the Auditor of State to audit Ohio governments. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Township's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of opining on the effectiveness of the Township's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the Township's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. Therefore, we cannot assure that we have identified all deficiencies, significant deficiencies or material weaknesses. However, as described in the accompanying schedule of findings we identified a certain deficiency in internal control over financial reporting, that we consider a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and timely corrected. We consider finding 2009-001 described in the accompanying schedule of findings to be a material weakness.

Compliance and Other Matters

As part of reasonably assuring whether the Township's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying schedule of findings as item 2009-001.

We also noted a certain noncompliance matter not requiring inclusion in this report that we reported to the Township's management in a separate letter dated April 22, 2010.

We intend this report solely for the information and use of the audit committee, management, Township Board of Trustees. We intend it for no one other than these specified parties.

A handwritten signature in cursive script that reads "Mary Taylor".

Mary Taylor, CPA
Auditor of State

April 22, 2010

**WILLIAMSBURG TOWNSHIP
CLERMONT COUNTY**

**SCHEDULE OF FINDINGS
DECEMBER 31, 2009 AND 2008**

FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS
--

FINDING NUMBER 2009-001

Material Noncompliance/ Material Weakness

Ohio Rev. Code, Section 507.07, requires the Township Fiscal Officer to maintain the books of the Township and exhibit accurate statements of all monies received and expended.

In addition, **Ohio Admin. Code, Section 117-2-02(A)**, requires public offices to maintain an accounting system and accounting records sufficient to enable the public to identify, assemble, analyze, classify, record and report its transactions, maintain accountability for the related assets, document compliance with finance-related legal and contractual requirements and prepare financial statements.

The Township had the following posting errors which resulted in audit adjustments and reclassifications to the financial statements:

- In FY 2009 and 2008, \$5,578 and \$11,156, respectively, of SB 3/287 deregulation revenue was recorded as taxes instead of intergovernmental.
- In FY 2009 and 2008, \$21,616 and \$35,439, respectively, of HB66 personal property tax reimbursement revenue was recorded as taxes instead of intergovernmental.
- In FY 2009 and 2008, \$80,718 and \$39,544, respectively, of homestead and rollback was recorded as taxes instead of intergovernmental.
- In FY 2008, \$594 of personal property exemption was recorded as taxes instead of intergovernmental.
- In FY 2009, \$126,831 of debt proceeds was recorded as miscellaneous receipts instead of proceeds from bonds.

As a result of these errors, receipts for certain line items and funds were incorrectly reported on the Annual Report. Material audit adjustments were required to fairly state the individual line items on the financial statements. We recommend due care be exercised when posting entries to the cash journal to prevent errors and accurately present the Township's financial activity in the annual report. The Fiscal officer should refer to the Township Handbook when posting to the Township's receipts.

The Township has adjusted their financial statements and accounting records for the errors noted above.

Officials' Response:

We did not receive a response from officials to this finding.



Mary Taylor, CPA
Auditor of State

WILLIAMSBURG TOWNSHIP

CLERMONT COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
MAY 25, 2010**